NPAs of Banks

†1006. SHRI KAPIL SIBAL:
DR. D. MASTHAN:
SHRI JANESHWAR MISHRA:
SHRI KHAGEN DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the amount of non-performing assets of the banks had arisen to Rs. 51,710 crores till the end of March, 2000.

(b) if so, the details in this regard; and

(c) what steps have so far been taken by the Government to recover the said amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) While gross NPAs of the public sector banks have gone up from Rs. 51710 crore as on 31st March, 1999 to Rs. 52593.52 crore (Provisional) as on 31st March, 2000, in percentage term it has come down from 15.89% to 14.28% (Provisional) of gross advances. Net NPAs for the same period at Rs. 24211.49 crore (8.13% of net advances) as on 31.3.1999 have gone up to Rs. 25840.51 crore (8.20% of net advances) (provisional) as on 31.3.2000.

(c) The Banks take all possible steps to recover their dues from defaulters through various means such as close follow up, filing of suits etc. Also Government of India/Reserve Bank of India/Banks have taken several steps for recovery of bank dues which include framing and implementation of recovery policy by banks, filing of suits with Civil Courts, filing cases with Debt Recovery Tribunals (DRTs), strengthening and setting up more DRTs and DRATs compromise settlement through Settlement Advisory Committees and monitoring and follow up of non performing accounts. Reserve Bank of India have issued guidelines for recovery of bank dues in NPAs accounts up to Rs. 5 crore which have been classified as doubtful/loss on a pre-determined cut-off date. Chief Executives of Public

†Original notice of the question was received in Hindi.

Sector Banks have been asked to personally monitor and follow-up recovery in higher value accounts in accordance with the policy laid down by the respective Boards.

Grants to States

1007. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether Government have already made provisions for the amount of grants to States as per the interim report of the Eleventh Finance Commission in the current years Budget; and

(b) if so, the reasons for waiting for the final report of the Finance Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) Eleventh Finance Commission has submitted its Report for 2000—2005 on 7th July, 2000. The Report together with an Explanatory Memorandum on the action taken on the recommendations of the Eleventh Finance Commission has been laid on the Table of the House on the 27th July, 2000. The release of Grant-in-aid to cover non-plan gap on Revenue Account will be made in accordance with the next Report of the Commission due to be submitted by 31st August, 2000. Action is, however, being taken to release a part of these grants on an ad hoc, provisional basis to mitigate hardship to the concerned States.